

2-5-3579

23 March 1954

## MEMORANDUM FOR THE RECORD

SUBJECT: Presentation to the House Appropriations Committee of the CIA Budget for Fiscal Year 1955.

1. On 22 March 1954, I was advised by Mr. Pforzheimer, Legislative Counsel, that he had received a call from Mr. Kenneth Sprinkle, the Assistant Clerk of the House Appropriations Committee, who said that our Hearings would be on 24 and 25 March 1954, and that the full Armed Services Subcommittee on Appropriations (consisting of eleven members, plus three staff members) would hear CIA's presentation. Mr. Sprinkle also requested that fifteen copies of the "black book" containing our budget information be delivered to him that afternoon.

2. I telephoned Mr. Sprinkle and requested that we be allowed to deliver the books to him the next day, 23 March, and that when the Staff was finished with them for the day that we be permitted to return them to CIA custody until the Hearing on the 24th, after which we would again like to return them to CIA custody. Mr. Sprinkle said that this arrangement would not be satisfactory inasmuch as the Staff had to work on the books probably well into the night. I told him that we had personnel on duty twenty-four hours a day and would be more than glad to respond instantly to a telephone call at any hour of the day or night so that they could be returned to our custody; however, he said that this arrangement was totally unacceptable to the Staff. I told him that Mr. Dulles felt his responsibility for the protection of this information very keenly and, consequently, might want to speak to Mr. Taber, the Chairman, about the matter. Mr. Sprinkle said that he had no objection whatever to Mr. Dulles speaking to Mr. Taber but that if the Chairman wanted the assistance of the Staff in analyzing CIA's budgetary requirements it would be necessary for us to comply with the procedure which he had requested.

3. I informed the Director, Mr. Dulles, of the foregoing and late in the afternoon of 22 March he telephoned Mr. Taber to discuss the matter, expressing concern over the plan to have such a large group briefed on CIA activities, as well as the fact that the Staff contemplated keeping at the Capitol rather than at CIA's secure facilities a number of copies of the "black book" containing highly sensitive information. After some discussion it was agreed that Mr. Dulles would meet with Mr. Taber in his office, Room 1126, House Office Building, at 9:00 a.m. on 23 March to discuss the matter further.

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/s/

A-DD/A:LKW:laq  
 O: Mr. Dulles  
 cc: Mr. Pforzheimer  
 Mr. Saunders  
 ✓DD/A chrono  
 DD/A sub: *Approp. Budget*<sup>3</sup>

L. K. WHITE  
 Acting Deputy Director  
 (Administration)

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